



September 10, 2007

BY FACSIMILE -916-322-2026

Honorable Ross Johnson, Chairman
Fair Political Practices Commission
428 J Street, Suite 620
Sacramento, CA 95814

Re: Pre-Noticed Regulation 18530.31 – Agenda Item 10

Dear Chairman Johnson and Commissioners:

I am the Treasurer of the California Republican Party. In that role, it is my responsibility to prepare and sign campaign disclosure reports for the Party's state campaign committees. I also have the informal responsibility to train and assist volunteer campaign treasurers for nearly 58 county central committees which have filing responsibilities under state law, and many of which also have such responsibilities under federal law.

I write to oppose the staff draft of Regulation 18530.31 which is being pre-noticed and will be discussed at your September 12, 2007 Commission meeting. First, I join the comments of CRP's counsel, Charles H. Bell, Jr., and in particular note that the proposed regulation, to the extent it requires that CRP fundraising for its state candidate support ("all purpose") account to be paid with "all purpose" (limited contribution) funds, is not mandated by state law and this approach should be rejected.

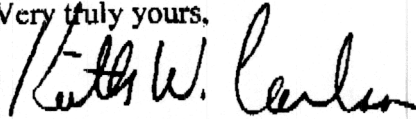
Second, the proposed regulation conflicts with subdivision (b) of Regulation 18534, which the CRP supported when it was considered and adopted by this Commission less than a year ago. That provision contemplates that a party committee can simultaneously raise contributions for its "all purpose" and "restricted use" accounts in one contribution check. Further, the proposed regulation also conflicts with Regulation 18534 with respect to the "allocation formula" proposed in this regulation. This regulation would require a party committee to allocate fund raising expenses and reimburse from the "restricted account" to the "all purpose" account to adjust allocation of fund raising expenses. However, Regulation 18534 actually prohibits reimbursements or transfers from a party committee's "restricted use" account to its "all purpose" account more than 14 days after receipt of the contribution that is deposited into the "restricted use" account.

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Third, another anomaly with the proposed regulation is that a single check—for two purposes—exceeding \$30,200 would have to be returned in its entirety. This does not seem to make any sense and is inconsistent with other regulations.

The proposed regulation would present a nightmare not only to CRP which has professional assistance but also to the already-beleaguered volunteer county central committee treasurers in assuring compliance with the many provisions of state and federal laws applicable to their committees' campaign activity.

Very truly yours,

A handwritten signature in black ink, appearing to read "Keith W. Carlson". The signature is fluid and cursive, written over a light blue horizontal line.

Keith W. Carlson, Esq.
Treasurer, California Republican Party